

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
BAYTREE CAPITAL ASSOCIATES, LLC,
derivatively on behalf of,
BROADCASTER, INC.

Case No.: 08-CV-1602

Plaintiff,

- against -

NOLAN QUAN, MARTIN R. WADE III,
BLAIR MILLS, RICHARD BERMAN,
ANDREW GARRONI, JASON BRAZELL,
ROBERT GOULD, SANGER ROBINSON,
ALCHEMY COMMUNICATIONS, INC.,
FROSTHAM MARKETING, INC., PACIFICON
INTERNATIONAL, INC., LONGVIEW MEDIA,
INC., ACCESS MEDIA NETWORKS, INC.,
ALCHEMY F/X, INC., INNOVATIVE NETWORKS,
INC., BINARY SOURCE, INC., BROADCASTER,
LLC, TRANSGLOBAL MEDIA, LLC, SOFTWARE
PEOPLE, LLC, and ACCESS MEDIA
TECHNOLOGIES, LLC,

DECLARATION OF
PETER SULLIVAN

Defendants.

- and-

BROADCASTER, INC.

Nominal Defendant.

-----X

Peter Sullivan declares as follows:

1. I am an attorney representing Plaintiff Baytree Capital Associates, Inc., (“Baytree”) in the above captioned matter. As such, I have personal knowledge of the facts contained in this declaration.
2. The material witnesses and a summary of the matters as to which they are expected to testify are provided below.

3. Nolan Quan, a California resident, is the Chief Operating Officer of Broadcaster and is expected to testify as to, among other matters: (1) the relationships among himself and the various defendants; (2) the expenses and revenue of the defendants; and (3) the services provided by third parties and the Defendants.

4. Bruce Galloway, a New York resident, is the former Chairman of the Board of Broadcaster and is expected to testify as to, among other matters: (1) the actions of various Directors and the company that caused him to resign his position; (2) the expenses and revenue of the defendants; and (3) the services provided by third parties and the Defendants.

5. Andrew Garroni, a California resident, is a principal of many defendants and is expected to testify as to, among other matters: (1) the relationships among Quan, himself and the various defendants; (2) the expenses and revenue of the defendants; and (3) the services provided by third parties and the Defendants.

6. Blair Mills, a California resident, is the Chief Financial Officer of Broadcaster and is expected to testify as to, among other matters: (1) the relationships among Quan, himself and the various defendants; (2) the expenses and revenue of the defendants; and (3) the services provided by third parties and the Defendants.

7. Richard Berman, a Connecticut resident, is a Director of Broadcaster and is expected to testify as to, among other matters: (1) the relationships among the various defendants; (2) the expenses and revenue of the defendants; (3) the services provided by third parties and the Defendants; and (4) various governance and compliance issues.

8. Michael Harris, a Florida resident, is a former outside counsel of Broadcaster and is expected to testify as to, among other matters: (1) the relationships among the various defendants; (2) the expenses and revenue of the defendants; (3) the services provided by third parties and the Defendants; and (4) various governance and compliance issues.

9. Michael Gardner , a New York City resident, is a shareholder of Broadcaster and is expected to testify as to, among other matters: (1) the relationships among the various defendants; (2) the expenses and revenue of the defendants; (3) the services provided by third parties and the Defendants; and (4) various governance and compliance issues.

10. Paul Goodman, a New York City resident, is a Director of Broadcaster and is expected to testify as to, among other matters: (1) the relationships among the various defendants; (2) the expenses and revenue of the defendants; (3) the services provided by third parties and the Defendants; and (4) various governance and compliance issues.

11. Vincent Orza, an Oklahoma resident, is a former Director of Broadcaster and is expected to testify as to, among other matters: (1) the relationships among the various defendants; (2) the expenses and revenue of the defendants; (3) the services provided by third parties and the Defendants; and (4) various governance and compliance issues.

12. Martin Wade, a New Jersey resident, is the Chief Executive Officer of Broadcaster and is expected to testify as to, among other matters: (1) the relationships among Quan, himself and the various defendants; (2) the expenses and revenue of the defendants; (3) the services provided by third parties and the Defendants; and (4) various governance and compliance issues.

13. Benjamin Edelman, a Massachusetts resident, is an assistant professor at Harvard University Business School specializing in affiliate commission fraud and click fraud and is expected to testify as to, among other matters, the details and nature of the advertising and “traffic generation” claimed by Defendants

14. A representative of Google Analytics, located in New York City is expected to testify as to the nature of the Broadcaster website and the method by which Defendants created forced visits to the Broadcaster web site.

15. A representative of AD On Network, located in Arizona, or its ownership, located in New York, is expected to testify as to the services provided Defendants and the method by which Defendants created forced visits to the Broadcaster web site.

16. A representative of the Value Click, located in New York City, is expected to testify as to the services provided Defendants and the method by which Defendants created forced visits to the Broadcaster web site.

17. A representative of the Investor Relations Group, located in New York City, is expected to testify as to the statements made to the public and the investor relations, venture capital and public relations business communities.

18. A representative of Rubenstein Associates, located in New York City, is expected to testify as to the statements made to the public and the investor relations, venture capital and public relations business communities.

19. In connection with Plaintiff's opposition to Nominal Defendant's motion, I respectfully submit the below listed exhibits. The following exhibits are true copies of documents obtained from the public records, obtained or created by me, obtained from independent sources or received during the course of this matter:

Exhibit A: Relevant portions of Broadcaster SEC Form 10-KSB,
October 15, 2007


Exhibit B: Certain Alleged Invoices provided by Nominal Defendant's
counsel

Exhibit C: Relevant portions of Investor Relations Group Daily Updates

WHEREFORE, as detailed in the accompanying Memorandum of Law, it is respectfully requested that this Court deny the Nominal Defendant's motion to transfer venue.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: April 7, 2008
New York, New York



Peter Sullivan (PS0985)
Sullivan Gardner PC
475 Park Avenue South
New York, NY 10016

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-KSB

☒ **ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended: **June 30, 2007**

☐ **TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from: _____ to _____

BROADCASTER, INC.

(Name of small business issuer in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation or organization)

0-15949
(Commission
File Number)

94-2862863
(I.R.S. Employer
Identification No.)

9201 Oakdale Avenue, Suite 200, Chatsworth, CA 91311
(Address of Principal Executive Office) (Zip Code)

(818) 206-9274
Issuer's telephone number

N/A
(Former name or former address, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:
None

Securities registered pursuant to Section 12(g) of the Act:
Common stock, par value \$0.001
(Title of Class)

Check whether the issuer is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. ☐

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒
Issuer's revenues for its most recent fiscal year: **\$6,913,000.**

The aggregate market value of the voting and non-voting common stock held by non-affiliates computed by reference to the average bid and asked price of the common stock as of **September 28, 2007** was approximately **\$116,875,101.**

As of **September 28, 2007** **51,261,000** shares of the issuer's common stock, \$.001 par value, were outstanding.

Documents incorporated by reference: **None**

Transitional small business disclosure format: Yes ☐ No ☒

Blair Mills. *age 43*. Mr. Mills became a director in May 2007. Mr. Mills joined the company in June 2006 as Chief Financial Officer. Previously, he served as Chief Financial Officer of AccessMedia beginning in May 2005. Prior to that date, Mr. Mills served in various management positions at several Internet-based businesses, including most recently Longview Media, Inc. from September 2000 through September 2006. Mr. Mills has also served as an independent consultant to small businesses and emerging growth companies. Mr. Mills is a Chartered Accountant in Canada and a Certified Public Accountant in Illinois.

Vincent F. Orza, Jr., *age 57*. Dr. Orza became a director of Broadcaster in July 2007. Dr. Orza is Dean of the Meinders School of Business of Oklahoma City University. Prior to his current position with Oklahoma City University, Dr. Orza served as a trustee of Oklahoma City University, taught economics and marketing for 16 years at the University of Central Oklahoma and received an Ed.D. degree from the University of Oklahoma. Dr. Orza also serves as a news anchor for an Oklahoma City network affiliate and is a regular columnist for a local newspaper. He brings public company experience having been the founder, Chairman and CEO of Eateries, Inc., an operator and franchisor of a chain of restaurants operating in 20 states, which traded on The Nasdaq Stock Market before this company went private in 2003. Dr. Orza ran twice for Governor of Oklahoma.

Key Employees

Sanger Powell Robinson II, President of BIG. *age 38*. Mr. Robinson has been important in the development of our software and advises us on marketing strategies and developing strategic relationships with online traffic aggregators and marketing companies. Mr. Robinson worked for AccessMedia from December 2004 until December 2006, BIG from December 2006 until present, Netbroadcaster September 2000 until December 2003, and SearchFuel from December 2000 until December 2004.

Peter Wang. Mr. Wang became Chief Analytics Officer of Broadcaster in March 2007. From February 2001 until September 2006, Mr. Wang served as Vice President of Operations at Sagemetrix Corporations, a provider of marketing and business intelligence solutions.

Key Consulting Relationships

Messrs. Nolan Quan and Michael Gardner our principal shareholders, provide important consulting and other services to us as described elsewhere in this Report. In addition to receiving a nominal consulting fee of \$1,000 per month, Mr. Quan through Alchemy and Alchemy F/X provides important services to us. Mr. Gardner's services are provided through Baytree, a limited liability company controlled by him. We entered into an agreement with Baytree in June 2005 which expires on June 30, 2008. Baytree acted as our exclusive financial advisor in connection with the acquisition of AccessMedia and received a fee equal to 5% of the shares issued to the AccessMedia shareholders consisting of four limited liability companies (controlled by Mr. Quan) and Mr. Gardner. Additionally, we issued to Baytree 500,000 shares of common stock for ongoing consulting services and agreed to reimburse it for its expenses. Baytree also provides a New York office for us which is used on a regular basis by our Chief Executive Officer, Mr. Martin R. Wade, III. Mr. Gardner, through Baytree, provides ongoing consulting services relating to our business and future strategy and public company issues.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act of 1934, the registrant caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: October 15, 2007

BROADCASTER, INC.

By: /s/ M ARTIN R. W ADE , III
Martin R. Wade, III
Chief Executive Officer

In accordance with the Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signatures</u>	<u>Title</u>	<u>Date</u>
<u>/s/ M ARTIN R. W ADE , III</u> Martin R. Wade, III	Chairman of the Board of Directors	October 15, 2007
<u>/s/ B LAIR M ILLS</u> Blair Mills	Chief Financial Officer, (principal financial and accounting officer) and Director	October 15, 2007
<u>/s/ R ICHARD J. B ERMAN</u> Richard J. Berman	Director	October 15, 2007
<u>/s/ P AUL G OODMAN</u> Paul Goodman	Director	October 15, 2007
<u>Vincent F. Orza, Jr.</u>	Director	

Invoice Date

Dec 29, 2006

Page

Voice:

Fax:

Duplicate

Sold To: BROADCASTER INTERACTIVE, INC.
9201 OAKDALE AVE. #200
CHATSWORTH, CA 91311

Ship to:

Customer ID

BII

Customer PO

Payment Terms

Net Due

Sales Rep ID

Shipping Method

UPS Ground

Ship Date

Due Date

12/29/06

Quantity	Item	Description	Unit Price	Extension
		TRAFFIC PURCHASE: VALUE CLICK		105,000.00
		MEDIA TO 9300 REMAINING		
		BALANCE FROM 12/1/06-12/31/06		
		20% COMMISSION		21,000.00

Date Received	12/2/07
Document #/Due Date	1539 / DVC
Description	TRAFFIC BUY
GL #	5001-03-08
GL #	5008-05-08
1 st Approval	SEE SUPP
2 nd Approval	
Controller	
Accountant	
Date Posted	1/5/07

105,000
21,000

Check No:

Subtotal

126,000.00

Sales Tax

Total Invoice Amount

126,000.00

Payment Received

TOTAL

126,000.00

1

First Nations Bank
3000 Laurel Canyon Blvd. Ste. 200
Studio City, CA 91604

City National Bank
2000 Laurel Canyon Blvd. Ste. 200
Studio City, CA 91604
818-224-1000

CHECK NO.

16-1800
1772

1505

1505

Memo:

DOLLARS

100% ASSET

Dec 29, 2006 **\$105,000.00

PAY One Hundred Five Thousand and 00/100 Dollars

TO THE
ORDER
OF

VALUE CLICK MEDIA
30699 RUSSELL RANCH ROAD
SUITE 250
WESTLAKE VILLAGE, CA 91362

⑈01505⑈ ⑈1204606⑈ 0224111⑈

⑈001050000⑈

1/5/07

1505

105,000

(1)

Frosthams Marketing, INC. check REQUEST

New Campaign []

Continuing []

DATE: 12/29/2006

AMOUNT: \$105,000.00

REQUESTED BY: Kiisha Arnett

CHECK NEEDED BY:

DATE: net due

TIME: 12:00pm

PAYABLE TO:

Value Click Media
30699 Russell Ranch Road
suite 250
Westlake Village, CA 91362
818-575-4500

Remit to
Value Click Media
Dept 9725
Los Angeles, Ca 90084-9725

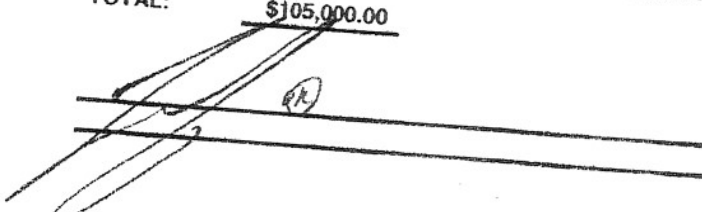
Please note invoice # 13-122106

DESCRIPTION: 9300-valueclick

Prepayment for Traffic for Broadcaster for impressions at an \$8.50 CPM rate

TOTAL: \$105,000.00

APPROVED BY:
DATE:



Frostham Marketing, Inc.

3940 Laurel Cyn Blvd #191
Studio City, CA 91604

Case 1:08-cv-01602-LLS

Document 19-3

Filed 04/07/2008

Page 5 of 9

Invoice Number: 1636

Invoice Date: Apr 30, 2007

Page: 1

Duplicate

Voice:

Fax:

Bill To:

BROADCASTER INTERACTIVE GROUP, INC.
9201 OAKDALE AVE. #200
CHATSWORTH, CA 91311

Ship to:

Customer ID

Customer PO

Payment Terms

BII

Net Due

Sales Rep ID

Shipping Method

Ship Date

Due Date

UPS Ground

4/30/07

Quantity	Item	Description	Unit Price	Amount																						
68,699.19		TRAFFIC PURCHASE: AD ON NETWORK FROM 4/26/07-4/30/07 10% COMMISSION	0.10	68,699.19 6,869.92																						
<table><tr><td>Date Received</td><td>4/30/07</td></tr><tr><td>Document #/Due Date</td><td>1636 / Due</td></tr><tr><td>Description</td><td>for this bill / agency fee</td></tr><tr><td>GL #</td><td>68,699.19 5001-03-07</td></tr><tr><td>GL #</td><td>1000-03-07</td></tr><tr><td>GL #</td><td></td></tr><tr><td>1st Approval</td><td>CEL INV.</td></tr><tr><td>2nd Approval</td><td></td></tr><tr><td>Controller</td><td></td></tr><tr><td>Accountant</td><td>DL</td></tr><tr><td>Date Posted</td><td>5/4/07</td></tr></table> <div>mtf</div>					Date Received	4/30/07	Document #/Due Date	1636 / Due	Description	for this bill / agency fee	GL #	68,699.19 5001-03-07	GL #	1000-03-07	GL #		1 st Approval	CEL INV.	2 nd Approval		Controller		Accountant	DL	Date Posted	5/4/07
Date Received	4/30/07																									
Document #/Due Date	1636 / Due																									
Description	for this bill / agency fee																									
GL #	68,699.19 5001-03-07																									
GL #	1000-03-07																									
GL #																										
1 st Approval	CEL INV.																									
2 nd Approval																										
Controller																										
Accountant	DL																									
Date Posted	5/4/07																									
Subtotal				75,569.11																						
Sales Tax																										
Total Invoice Amount				75,569.11																						
Payment/Credit Applied																										
TOTAL				75,569.11																						

Check/Credit Memo No:

Check/Credit Memo No:

2

Frosthams Marketing, INC. Credit Card REQUEST

New Campaign []

Continuing []

DATE: 5/2/2007

AMOUNT: \$68,699.19

REQUESTED BY: Kiisha Arnett

CHECK NEEDED BY:

DATE: Net Due

TIME:

12:00pm

PAYABLE TO: Ad On Network (Formally MyGeek)

Ad On Network

4130 E Van Buren St.

Suite 250

Phoenix, AZ 85008

Credit Card info faxed to client: xxx 71010- Starwood card

DESCRIPTION: 9336 Prepayment for traffic for Broadcaster Interactive. FH Signature on file

Client sent an invoice for the date range of 4-26 to 4-30, 2007. Invoice attached

29 Account #558929 4/26 - 4/30	\$35,293.83
30 Account #558930 4/26 - 4/30	\$16,337.54
81 Account #559281 4/26 - 4/30	\$12,830.00
6 Account #559506 4/26 - 4/30	\$4,237.82
Total	\$68,699.19

APPROVED BY:

DATE:

TOTAL: \$68,699.19

OK

On Network

130 E. Van Buren
Suite 250
Phoenix, AZ 85008
USA

Voice: 602-265-5242
Fax: 602-297-4219

INVOICE

Invoice Number: 043007MV
Invoice Date: Apr 30, 2007
Page: 1

Duplicate

7-Ame

Bill To:

Frotham
9201 Oakdale Ave
Chatsworth, CA 91311
USA

Ship to:

5/14

Customer ID	Customer PO	Payment Terms	
Frotham		Net 30 Days	
Sales Rep ID	Shipping Method	Ship Date	Due Date
	UPS Ground		5/30/07

Quantity	Item	Description	Unit Price	Amount
		Account #558929 4/26 - 4/30		35,293.
		Account #558930 4/26 - 4/30		16,337.
		Account #559281 4/26 - 4/30		12,830
		Account #559506 4/26 - 4/30		4,237
Subtotal				68,699.19
Sales Tax				
Total Invoice Amount				68,699.19
Payment/Credit Applied				
TOTAL				68,699.19

Check/Credit Memo No:

FROSTHAM MARKETING, INC.

INSERTION ORDER

FI-10104-IO-04-

2338 Immokalee Rd. #170
Naples, FL 31440
TEL: (866) 540-4333

Acct. Exec:	Jason Brazel	E-mail:	jason@webmastersdirect.com
Client:	AD ON NETWORK		
Campaign:	TB-Ad on-Broadcaster (9336)		
Contact:	-- (--)	Contact Tel:	--
Address:	4130 E. Van Buren St Suite #250 Phoenix, AZ 85008	Billing Address (if different):	--
Phone:	--	Fax:	--
Acct Contact:	-- (--)	Acct Tel:	--
Tech Contact:	-- (--)	Tech Tel:	--
Flight Start Date:	02-FEB-07	Flight End Date:	Open
Delivery Type:		Billing Period:	April
Placement:	Various	Unit Cost:	Various
Pricing Type:	CPM		
Unit Cap:	Open		
Total Cost:	Open		
Payment Terms:	Prepaid	Billing Stats: Client	Send Invoice: N
Reporting:	Client Requests Stats: N		
Notes:	Foreign and US traffic for Broadcaster RAW \$1.75 cpm for Foreign and \$2.25 for US traffic for Broadcaster. 2/2/2007 \$20K charged on SW card 2/9/2007 \$20K charged on SW card 2/19/2007 \$20K charged on SW card 2/21/2007 \$10K charged on SW card 2/24/2007 \$5K charged on SW card-foreign 2/26/2007 \$4K charged on the BO Card 2/27/2007 \$30K charged on SW card 3/19/2007 \$22 charged on SW card 3-20-2007 \$10K charged on SW card 3-17-2007 \$3000 charged on SW card 3-30-2007 \$17,000 charged on SW card 3-31 -2007 \$2000 charged on SW card		

FROSTHAM MARKETING, INC. will use its best efforts to deliver the above mentioned campaign throughout FROSTHAM MARKETING, INC.'s marketing network within the date parameters outlined above.

If a specific Flight End Date is not shown, CLIENT is responsible for full payment of delivery up to the point of CLIENT'S written notice of termination is confirmed "in writing" as received by FROSTHAM MARKETING, INC..

CLIENT agrees not to double pop, download or promote any products or third party applications and/or software, including, but not specifically limited to, Active X, Spyware, Adult content or Adware ("Download Term") unless approved by FROSTHAM MARKETING, INC. via email. FROSTHAM MARKETING, INC. and CLIENT agree that the damages resulting to FROSTHAM MARKETING, INC. as a result of such conduct will be difficult to ascertain and therefore, the parties agree that a reasonable estimate of liquidated damages resulting from such conduct will be US \$1000 per CPM based on FROSTHAM MARKETING, INC.'s Stats. CLIENT agrees that CLIENT will not advertise any adult content or material; and FROSTHAM MARKETING, INC. has the right to refuse any ad content that it deems inappropriate to its network. Additionally FROSTHAM

FROSTHAM MARKETING, INC. may unilaterally refuse any campaign or advertising for any reason and in its sole discretion. In the event CLIENT breaches any obligations as contained herein FROSTHAM MARKETING, INC. may immediately cease performance under this contract, and any monies or credits advanced by CLIENT pursuant to this contract will be forfeited and become the property of FROSTHAM MARKETING, INC. with any further obligations owed by FROSTHAM MARKETING, INC. under this contract.

This deal can be preempted. CLIENT will have 24 hours to counter any competitive bid for inventory allocated by this Insertion Order. If CLIENT does not counter within 24 hours, the preempted campaign will resume when inventory becomes available.

In the event counts are taken from CLIENT or a 3rd party, CLIENT must provide FROSTHAM MARKETING, INC. with data summaries ("Stats") on a daily basis in order to monitor the campaign effectively, otherwise CLIENT agrees to abide by FROSTHAM MARKETING, INC.'s Stats. In the event of a Stats discrepancy greater than 15%: a) FROSTHAM MARKETING, INC. reserves the right to immediately pull the campaign, and/or b) CLIENT agrees to abide by FROSTHAM MARKETING, INC.'s Stats. Under all circumstances, CLIENT is responsible for paying FROSTHAM MARKETING, INC. its proportionate share of the delivered campaign. Should there be a difference between the IO and the FROSTHAM MARKETING, INC.'s Advertising Guidelines, the IO shall prevail.

Jurisdiction & Venue: This Agreement shall be governed by and construed under the laws of the State of California as such laws are applied to contracts. All disputes arising out of this Agreement shall be subject to the exclusive jurisdiction and venue of the California State Courts of Los Angeles County, (or, if there is exclusive federal jurisdiction, the United States District Court for the Central District of California) and the parties consent to the personal and exclusive jurisdiction and venue of these courts.

Attorney's Fees: In the event of an action or proceeding brought by Publisher under this Agreement to recover any non-payments by Client, Publisher will be entitled to recover the fees of its attorneys in such action or proceeding, all court filing fees and other reasonable costs and expenses as the court may adjudicate to be reasonable.

This Insertion Order shall be governed by FROSTHAM MARKETING, INC.'s Advertising Guidelines & Terms and Conditions, incorporated herein by reference.

Accepted - FROSTHAM MARKETING, INC.

Accepted - AD ON NETWORK
Please print and sign name

Current Status: N

Print IO

Account Number
XXXX-XXXXX8-71002

Page 4 of 4

FROSTHAM MARKETING
New Activity continued

	ADVERTISING SERVICE		34,000.00
X 05/04/07	ADON NETWORK ACCT-MY602-265-5242	AZ	
	COMPUTER NETWORK/INFO		

2

Wire Details

Status: Processed

Reference Number 1377242

Current Date: 05/04/2007 07:36 PST

Beneficiary

Template Type:

AD ON NETWORK

Name:

MYGEEK.COM

Address 1:

4130 E. VAN BUREN

Address 2:

SUITE 250

City:

PHOENIX

State:

AZ

Zip Code:

85008

Country:

Account Name:

MYGEEK.COM

Account No.:

3300071379

Contact Name:

Phone Number:

Fax Number:

EMail Address:

Beneficiary Bank

Bank Name:

SILICON VALLEY BANK

Address 1:

Address 2:

City:

SANTA CLARA

State:

CA

Zip Code:

Country:

ABA:

121140399

Receiving Bank

Bank Name:

Address 1:

Address 2:

City:

State:

Zip Code:

Country:

ABA:

Intermediary Bank

Bank Name:

Address 1:

Address 2:

City:

State:

Zip Code:

Country:

ABA:

Wire Information

Account:

022413384 - FROSTHAM
MARKETING INC

Amount:

USD 34,699.19

Value Date:

05/04/2007

Company Name:

FROSTHAM MARKETING, INC

Company Address 1:

9201 OAKDALE SUITE 200-F

Company Address 2:

Company City:

CHATSWORTH

Company State:

CA

Company Zip:

91311

Bank Reference:

070504000855

Fed Reference:

0504L2LFCK1C000125

FRB Error Category:

FRB Error Code:

FRB Error Description:

Created Date/Time:

05/04/2007 07:35 PST

Created By:

KIMH

Denied Date/Time:

Denied By:

Approved Date/Time:

05/04/2007 07:35 PST

Approved By:

KIMH

Received Date/Time:

05/04/2007 07:35 PST

Processed Date/Time:

05/04/2007 07:35 PST

POSTED 5/4/07
D

Partial payment for 4/26/07-4/30/07

Frosthams Marketing, INC. Credit Card REQUEST

New Campaign []

Continuing []

DATE: 5/2/2007 AMOUNT: \$68,699.19REQUESTED BY: Kiisha ArnettCHECK NEEDED BY: DATE: Net Due TIME: 12:00pmPAYABLE TO: Ad On Network (Formally MyGeek)Ad On Network
4130 E Van Buren St.
Suite 250
Phoenix, AZ 85008

Credit Card info faxed to client- xxx 71010- Starwood card

DESCRIPTION: 9336 Prepayment for traffic for Broadcaster Interactive. FH Signature on fileClient sent an invoice for the date range of 4-26 to 4-30, 2007. Invoice attached

29 Account #558929 4/26 - 4/30	\$35,293.83
30 Account #558930 4/26 - 4/30	\$16,337.54
81 Account #559281 4/26 - 4/30	\$12,830.00
6 Account #559506 4/26 - 4/30	\$4,237.82

Total	\$68,699.19
-------	--------------------

APPROVED BY:

DATE:

TOTAL: \$68,699.19

OK

Split payment
Amex \$34,000
VCC \$34,699.19

POSTED 4/30/07
A Client rep. Buy
6213501 Traffic

(7)

Invoice Date: May 31, 2007

Page: 1

Duplicate

Voice:

Fax:

Bill To:

BROADCASTER INTERACTIVE GROUP, INC.
9201 OAKDALE AVE. #200
CHATSWORTH, CA 91311

Ship to:

Customer ID		Customer PO	Payment Terms	
BII			Net Due	
Sales Rep ID	Shipping Method		Ship Date	Due Date
	UPS Ground			5/31/07
Quantity	Item	Description	Unit Price	Amount
		TRAFFIC PURCHASE: AD ON		108,307.09
		NETWORKS FOR 5/24/07-5/31/07		
96,360.87		12% COMMISSION	0.12	11,563.30
11,946.22		10 % COMMISSION	0.10	1,194.62

Date Received	5/31/07
Document #/Due Date	11667 / Due
Description	TRAFFIC PURCHASE
GL #	2001-03-08
GL #	1001-03-08
GL #	
1 st Approval	SPC [Signature]
2 nd Approval	
Controller	
Accountant	OL
Date Posted	6/1/07

Check/Credit Memo No:

Subtotal	121,065.01
Sales Tax	
Total Invoice Amount	121,065.01
Payment/Credit Applied	
TOTAL	121,065.01

13000
121,065.01

⑤

Marketing, Inc.
Cyn Blvd. #191
y, CA 91604

INVOICE

Invoice Number: 1662
Invoice Date: May 31, 2007
Page: 1
Duplicate

oice:
Fax:

Bill To:

BROADCASTER INTERACTIVE GROUP, INC.
9201 OAKDALE AVE. #200
CHATSWORTH, CA 91311

Ship to:

Customer ID	Customer PO	Payment Terms
BII		Net Due
Sales Rep ID	Shipping Method	Ship Date
	UPS Ground	Due Date
		5/31/07

Quantity	Item	Description	Unit Price	Amount
96,360.87		TRAFFIC PURCHASE: AD ON		108,307.09
11,946.22		NETWORKS FOR 5/24/07-5/31/07		
		12% COMMISSION	0.12	11,563.30
		10 % COMMISSION	0.10	1,194.62

Date Received	5/31/07
Document #/Due Date	1662 Due
Description	TRAFFIC PURCHASE: AD ON
GL #	102,327.09
GL #	2001-03-08
GL #	1000-03-08
1 st Approval	SPC [Signature]
2 nd Approval	
Controller	
Accountant	OL
Date Posted	6/1/07

Check/Credit Memo No:

Subtotal	121,065.01
Sales Tax	
Total Invoice Amount	121,065.01
Payment/Credit Applied	
TOTAL	121,065.01

150.00
46,065.01

(13)

Frosthams Marketing, INC. Credit Card REQUEST

New Campaign []

Continuing []

DATE: 6/4/2007AMOUNT: \$108,307.09REQUESTED BY: Kiisha Arnett

CHECK NEEDED BY:

DATE:

Net Due

TIME:

12:00pmPAYABLE TO: Ad On Network (Formally MyGeek)

Ad On Network

4130 E Van Buren St.

Suite 250

Phoenix, AZ 85008

Credit Card info faxed to client- xxx 71010- Starwood card

DESCRIPTION: 9336 Prepayment for traffic for Broadcaster Interactive. FH Signature on fileClient sent an invoice for the date range of 5-24 to 5-31 Invoice attached

Account #559281 5/24 - 5/31	47,747.32
Account #558929 5/24 - 5/31	35,131.97
Account #558930 5/24 - 5/31	25,310.21
Account #559506 5/24 - 5/31	117.59

total

108,307.09

APPROVED BY:

DATE:

TOTAL: \$108,307.09

OK

ORIGINAL

(3)

FROSTHAM MARKETING, INC.		INSERTION ORDER		FI-10104-IO-06-07
		2338 Immokalee Rd. #170 Naples, FL 31440 TEL: (866) 540-4333		
Acct. Exec:	Rani B.-W	E-mail:	click@webmastersdirect.com	
Client:	AD ON NETWORK			
Campaign:	TB-Ad on-Broadcaster (9336)			
Contact:	-- (--)			
Address:	4130 E. Van Buren St Suite #250 Phoenix, AZ 85008	Contact Tel:	--	
Phone:	--	Billing Address (if different):	--	
Acct Contact:	-- (--)	Fax:	--	
Tech Contact:	-- (--)	Acct Tel:	--	
		Tech Tel:	--	
Flight Start Date:	02-FEB-07	Flight End Date:	Open	
Delivery Type:		Billing Period:	June	
Placement:	Various			
Pricing Type:	CPM	Unit Cost:	Various	
Unit Cap:	Open			
Total Cost:	Open			
Payment Terms:	Prepaid			
Reporting:	Client Requests Stats: N	Billing Stats: Client	Send Invoice: N	
Notes:	Foreign and US traffic for Broadcaster RAW \$1.75 cpm for Foreign and \$2.25 for US traffic for Broadcaster. 2/2/2007 \$20K charged on SW card 2/9/2007 \$20K charged on SW card 2/19/2007 \$20 charged on SW card 2/21/2007 \$10K charged on SW card 2/24/2007 \$5K charged on SW card-foreign 2/26/2007 \$4K charged on the BO Card 2/27/2007 \$30K charged on SW card 3/19/2007 \$22 charged on SW card 3-20-2007 \$10K charged on SW card 3-17-2007 \$3000 charged on SW card 3-30-2007 \$17,000 charged on SW card 3-31-2007 \$2000 charged on SW card 6-1-2007 \$108K charged on the SW card			

FROSTHAM MARKETING, INC. will use its best efforts to deliver the above mentioned campaign throughout FROSTHAM MARKETING, INC.'s marketing network within the date parameters outlined above.

If a specific Flight End Date is not shown, CLIENT is responsible for full payment of delivery up to the point that CLIENT'S written notice of termination is confirmed "in writing" as received by FROSTHAM MARKETING, INC..

CLIENT agrees not to double pop, download or promote any products or third party applications and/or software, including, but not specifically limited to, Active X, Spyware, Adult content or Adware ("Download Term") unless approved by FROSTHAM MARKETING, INC. via email. FROSTHAM MARKETING, INC. and CLIENT agree that the damages resulting to FROSTHAM MARKETING, INC. as a result of such conduct will be difficult to ascertain and therefore, the parties agree that a reasonable estimate of liquidated damages resulting from such conduct will be US \$1000 per CPM based on FROSTHAM MARKETING, INC.'s Stats. CLIENT agrees that CLIENT will not advertise any adult content or material; and FROSTHAM MARKETING, INC. has the right to refuse any ad content that it deems inappropriate to its network. Additionally FROSTHAM MARKETING, INC. may unilaterally refuse any campaign or advertising for any reason and in its sole discretion. In the event CLIENT breaches any obligations as contained herein FROSTHAM MARKETING, INC. may immediately cease performance under this contract, and any monies or credits advanced by CLIENT pursuant to this contract will be forfeited and become the property of FROSTHAM MARKETING, INC. without any further obligations owed by FROSTHAM MARKETING, INC. under this contract.

This deal can be preempted. CLIENT will have 24 hours to counter any competitive bid for inventory allocated by this Insertion Order.

ORIGINAL (3)



FROSTHAM MARKETING

Account Number
XXXX-XXXXX8-71002

Closing Date
06/24/07

Page 3 of 8

06/01/07 ADON NETWORK ACCT-MY602-265-5242 AZ
COMPUTER NETWORK/INFO

40,000.00 ✓ +

Continued on reverse

(3)

06/01/2007 FRI 12:04

FAX

001

*** FAX TX REPORT ***

TRANSMISSION OK

JOB NO. 2838
DESTINATION ADDRESS 912136739788
PSWD/SUBADDRESS
DESTINATION ID
ST. TIME 06/01 12:03
USAGE T 00' 20
PGS. 1
RESULT OK

OUTGOING WIRE TRANSFER REQUEST

Fax completed form to: (213) 673-9788 or (800) 575-5503
New York Clients Only: (213) 673-9739 or (800) 641-7050

CITY NATIONAL BANK

The way up.

Time Deadlines: Domestic Wires 1:30 P.M. International Wires 12:30 P.M.
Any request received past the deadline will be processed the next business day.

Repetitive No. _____ [If applicable (requires pre-authorization)]

SENDER INFORMATION (Required for all wires)

Date of transfer 6/1/07 Amount of wire transfer: U.S. Dollars \$ 68,307.09
(For foreign currency wires, see below)

CNB account number 022413384 ☒ Checking ☐ Savings ☐ Money Market ☐ Other _____
Name Frotham Marketing, Inc.
Street address (if different from statement address) 9201 Coldale Ave #201
City Chatsworth State CA Zip Code 91311

RECEIVER (BENEFICIARY) INFORMATION (required for all wires)

Name MyGeek.com / Ad on Network
Address 4130 E. Van Buren #250
City Phoenix State AZ Zip Code 85008
Country USA
Account number 3300071379
Beneficiary's bank name (final bank name) Silicon Valley Bank
Beneficiary's bank address Santa Clara, CA
Nine-digit beneficiary's bank ABA number 121140399

Other beneficiary information
(Optional— used for sending a message to the beneficiary, for example, invoice number)

Invoice 053107FH

ADDITIONAL INTERNATIONAL WIRE INFORMATION

Foreign currency wire amount _____ Currency type _____
Rate _____ Rate source _____
Intermediary bank name (if applicable) _____
Intermediary bank address _____

3

AdOn Network

4130 E. Van Buren
 Suite 250
 Phoenix, AZ 85008
 USA

Voice: 602-265-5242
 Fax: 602-297-4219

INVOICE

Invoice Number: 053107FH
 Invoice Date: May 31, 2007
 Page: 1
 Duplicate

Bill To:

Frosham
 9201 Oakdale Ave
 Chatsworth, CA 91311
 USA

Ship to:

Customer ID		Customer PO		Payment Terms	
Frosham				Net 30 Days	
Sales Rep ID		Shipping Method		Ship Date	Due Date
		UPS Ground			6/30/07
Quantity	Item	Description	Unit Price	Amount	
		Account #559281 5/24 - 5/31		47,747.32	
		Account #558929 5/24 - 5/31		35,131.97	
		Account #558930 5/24 - 5/31		25,310.21	
		Account #559506 5/24 - 5/31		117.59	
		Subtotal		108,307.09	
		Sales Tax			
		Total Invoice Amount		108,307.09	
		Payment/Credit Applied			
		TOTAL		108,307.09	

Check/Credit Memo No:

ORIGINAL

-----Original Message-----

From: Brett Foley [<mailto:bfoley@investorrelationsgroup.com>]

Sent: Monday, December 03, 2007 5:30 PM

To: bmills@broadcaster.com; Ila Jurczuk; mwade@broadcaster.com; matt@broadcaster.com; Michael Gardner; sanger@broadcaster.com

Cc: Cheryl Schneider; Emily Hanan; michael Crawford; Bill Douglass; Susan Morgenbesser; Mike Graff

Subject: BCAS Daily Update

Daily Update: BCAS

Noteworthy Items

Marty - please note your conference call scheduled tomorrow for 2:00 EST (11:00 PST) with Julius Baer. We will call tomorrow to give you the number and confirm your availability.

In addition to this, Rob Coolbrith of ThinkEquity notified us he will be available to speak with you either Wednesday or Thursday of this week. Please let us know which one of those days works best for you.

We continued our outreach to investors and the media. Our efforts are detailed below.

Summary of Outreach

- * Christa Sober Quarles, Analyst, Thomas Weisel Partners
- * Mike Goodman, Analyst, The Yankee Group
- * Benjamin Schachter, Analyst, UBS (U.S.)
- * Dan Seideman, Analyst, SNL Financial

Public Relations

Summary of Outreach

* Jill Bennett, Anchor and Managing Editor, BusinessWeek TV - We reached out to Jill who covers a broad range of topics including technology. We offered Marty as an expert on the writers strike, the DMCA, and other topics. This syndicated TV program airs in 158 markets. We will follow up.

* Alex Weprin, Reporter, B&C - We contacted Alex today to pitch Marty as an expert on the writers strike. Alex does not have a digital media angle planned yet, but said that he would keep Marty in mind for future stories. We will touch base with him again and update you accordingly.

Have a nice evening!

Regards,

Brett Foley
The Investor Relations Group
11 Stone St., 3rd Fl.
New York, NY 10004
T: 212.825.3210
F: 212.825.3229

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-----Original Message-----

From: Brett Foley [<mailto:bfoley@investorrelationsgroup.com>]

Sent: Thursday, December 06, 2007 5:30 PM

To: bmills@broadcaster.com; Ila Jurczuk; mwade@broadcaster.com; matt@broadcaster.com;

Michael Gardner; sanger@broadcaster.com

Cc: Cheryl Schneider; Emily Hanan; michael Crawford; Bill Douglass; Susan Morgenbesser; Mike Graff

Subject: BCAS Daily Update

Daily Update: BCAS

Noteworthy Items

Today we continued our outreach to the media and money managers. Our efforts can be seen below.

We have calls into Andrew Frank and Otis Bradley to reschedule their meetings. Once we know Marty's schedule next week, we will be able to plan accordingly.

On the PR front, we sent you a feature release for your approval under a separate cover. Upon your approval, this release will cross through BusinessWire, and, with your permission, will also show up on your Yahoo ticker. This "soft news" piece is targeted to feature and lifestyle editors. We look forward to your feedback.

Summary of Outreach

- * David Miller, Analyst, Sanders Morris Harris
- * Paul Gallant, Analyst, Stanford Group Company
- * Clayton Moran, Analyst, Stanford Group Company
- * Gregory Fraser, CFA, Portfolio Manger/ Analyst/ Managing Director, GRT Capital Partners, LLC
- * Maureen Quigley, Analyst, Howland Capital Management
- * Mike Goodman, Analyst, The Yankee Group
- * Michael Wolverton, Analyst, Waddell & Reed, Inc.

Public Relations

Summary of Outreach

- * Roma Holmes, Senior Copy Editor, Boxoffice.com - We followed up with Roma about the initial interest she expressed for an interview with Marty about the writers strike. Since the writers strike does not seem like it is ending anytime soon, she suspects she will do an article on the subject in the near future. We will follow up with her next week.

Have a nice evening!

Regards,

Brett Foley
The Investor Relations Group
11 Stone St., 3rd Fl.
New York, NY 10004
T: 212.825.3210
F: 212.825.3229

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-----Original Message-----

From: Brett Foley [mailto:bfoley@investorrelationsgroup.com]

Sent: Friday, December 07, 2007 5:35 PM

To: bmills@broadcaster.com; Ila Jurczuk; mwade@broadcaster.com; matt@broadcaster.com; Michael Gardner; sanger@broadcaster.com

Cc: Cheryl Schneider; Emily Hanan; michael Crawford; Susan Morgenbesser; Bill Douglass; Mike Graff

Subject: BCAS Daily Update

Daily Update: BCAS

Noteworthy Items

Today we continued our outreach to investors and the media at large. A snapshot of our efforts can be found below.

We placed a call to Rob Coolbrith to obtain feedback from his conference call earlier in the week. He was not in the office today so we will follow back with him Monday.

We scheduled a conference call today with Jorge Tabuas of Dawson James. The details of the call can be found below.

Summary of Outreach

- * Alberto Bassetto, Analyst, Jayhawk Capital Management
- * Zachary Hamel, Portfolio Manager, Tortoise Capital Advisor, LLC
- * James Snevily, Analyst, Sems Capital, LLC
- * Jorge Tabuas, Senior Associate - Investment Banking, Dawson James Securities
- * Brian Horey, Portfolio Manager, Aurelian Management
- * Stuart Quan, Portfolio Manager, Zander Capital Management, LLC
- * Leonard Parisi, Broker, Maxim Group LLC

Summary of Meetings Scheduled

12/12/2007 @ 1:00 PM: Conference Call
Jorge Tabuas, Senior Associate - Investment Banking
Direct: 646.421.7961
JTabuas@dawsonjames.com
Dawson James Securities
415 Madison Avenue, 15th Floor
New York, NY 10017
between 48th & 49th

Mr. Tabuas has over 7 years of transactional experience spanning a broad range of industries within the investment banking, capital markets and private equity realms of public and private financing.

Previously, Mr. Tabuas was an Associate in Investment Banking with Maxim Group, a New York based Investment Bank focused on middle market and emerging growth companies within the energy, transportation, healthcare, technology, retail and business and financial services sectors. Previously, Mr. Tabuas held positions in the Structured Finance Group at GKN Securities and in the Private Client Group at Ladenburg Thalmann & Co. Mr. Tabuas earned a BBA from European University in Portugal.

Public Relations

Summary of Outreach

* Leslie Escobar, Entertainment Reporter, The Salinas Californian - We reached out to Leslie and offered her the opportunity to speak with Marty Wade about his stance on the writers strike and how it has affected Broadcaster.com. We will follow up with him next week.

* Mark Anderson, Entertainment Industry Reporter, Sacramento Business Journal - We introduced Mark to Broadcaster.com and offered him the opportunity to speak with Marty Wade about the affects of the writer strike on independent production companies. We will follow up with him next week.

Upcoming Events

Conference Calls

12/12/2007 @ 1:00 PM EST

Jorge Tabuas, Senior Associate - Investment Banking Dawson James Securities
415 Madison Avenue, 15th Floor
New York, NY 10017
Main: 646.673.8417
Direct: 646.421.7961

Have a great weekend!

Regards,

Brett Foley
The Investor Relations Group
11 Stone St., 3rd Fl.
New York, NY 10004
T: 212.825.3210
F: 212.825.3229

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-----Original Message-----

From: Brett Foley [mailto:bfoley@investorrelationsgroup.com]

Sent: Wednesday, December 12, 2007 5:31 PM

To: bmills@broadcaster.com; Ila Jurczuk; mwade@broadcaster.com; matt@broadcaster.com; Michael Gardner; sanger@broadcaster.com

Cc: Emily Hanan; Cheryl Schneider; michael Crawford; Susan Morgenbesser; Bill Douglass; Mike Graff

Subject: BCAS Daily Update

Daily Update: BCAS

Noteworthy Items

Today we continued our outreach to the media-at-large and investment community.

We were able to schedule a conference call for next week with Leonard Parisi of Maxim Group. Details can be found below.

We will work to reschedule the conference call with Jorge Taubas of Dawson-James that was originally scheduled for today.

Marty, please confirm your availability for the radio interview we have tentatively scheduled (below).

Summary of Outreach

* Kartik Joshi, Analyst, Diamondback Capital Management

* Michael Wolverton, Analyst, Waddell & Reed, Inc.

* Jim Chen, , Engemann Asset Management

Summary of Meetings Scheduled

12/19/2007 @ 3:00 PM: Conference Call

Leonard Parisi, Broker

Direct: 212-895-3512

lparisi@maximgrp.com

Maxim Group LLC

405 Lexington Avenue, 2nd Floor

New York, NY 10174

Between 42nd and 43rd

Leonard is an independent minded broker who frequently invests in IRG's portfolio companies.

Leonard handles accounts for both high net worth individuals as well as institutions.

Please see below the preliminary itinerary for the upcoming media bookings:

12/14/2007, 8:10 AM

Bob Langstaff
WAMV-AM

Roanoke, VA
(434) 946-9000
wamvradio@aol.com

Public Relations

Summary of Outreach

* Bob Fernandez, , Philadelphia Inquirer (Circ.: 330,622): - Bob said that he might be interested in the company as it relates to Comcast and bandwidth innovations. We will follow up.

* Ricardo Vazquez, Producer

KNX Business Hour - We contacted Ricardo to see if he might like to feature Marty as a guest to discuss writers strike. Ricardo thought that Broadcaster sounded interesting and said he would pass the information along to the host, Frank Mottek.

* Marc Cohen, Host, Marc Cohen on Computers and Technology - Marc said that he was interested in Broadcaster's technology and the local angle. He is booked for the rest of the month but will consider having Marty as a guest in Jan. We will follow up.

Upcoming Events

Conference Calls

12/19/2007 @ 3:00 PM EST
Leonard Parisi, Broker
Maxim Group LLC
405 Lexington Avenue, 2nd Floor
New York, NY 10174
Main: 212-895 3500
Direct: 212-895-3512

Have a nice evening!

Regards,

Brett Foley
The Investor Relations Group
11 Stone St., 3rd Fl.
New York, NY 10004
T: 212.825.3210
F: 212.825.3229

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